



Forest Stewardship Council®

FSC® STANDARD

Requirements for sourcing Controlled Wood

FSC-STD-40-005 V 3-0 EN



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REQUIREMENTS FOR SOURCING CONTROLLED WOOD

FSC-STD-40-005 V 3-0 EN

DRAFT 2-0

The Forest Stewardship Council® (FSC) is an independent, not for profit, non-government organization established to support environmentally appropriate, socially beneficial, and economically viable management of the world's forests.

FSC's vision is that the world's forests meet the social, ecological, and economic rights and needs of the present generation without compromising those of future generations.

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A Objective

This standard outlines the requirements for a Due Diligence System for FSC Chain of Custody certified Organizations to avoid material from 'unacceptable' sources in the production of FSC Mix products.

The five 'unacceptable sources' or FSC Controlled Wood categories are:

- 1) Illegally harvested wood;
- 2) Wood harvested in violation of traditional and human rights;
- 3) Wood from forests in which high conservation values are threatened by management activities;
- 4) Wood from forests being converted to plantations and non-forest use; and
- 5) Wood from forests in which genetically modified trees are planted.

B Scope

This standard establishes the requirements for setting up and managing a Due Diligence System in order to evaluate and mitigate the risk associated with material sourced from non-FSC certified forest areas and/or supplied without a formal FSC claim.

This standard requires the use of National Risk Assessments to evaluate the risk for each of the FSC Controlled Wood Categories and indicators for a defined geographic area. National Risk Assessments result in either 'low risk' or 'specified risk' designations. When 'specified risk' is determined, Control Measures shall be implemented by The Organization to mitigate the risk. Mandatory Control Measures may be provided in the National Risk Assessment. When a National Risk Assessment does not provide mandatory Control Measures, The Organization is obliged to develop them based on the requirements in this standard.

This standard is applicable for FSC Chain of Custody Organizations applying *FSC-STD-40-004 FSC standard for Chain of Custody certification* that wish to include Controlled Wood in the scope of their certificate. Such companies can apply this standard to verify their non-FSC certified supplies for the purpose of producing and selling FSC Controlled Wood and/or FSC Mix products. It is *not* intended for sourcing of FSC Controlled Wood i.e. material that has been previously certified as FSC Controlled Wood and supplied by FSC Chain of Custody certified suppliers.

All aspects of this standard are considered to be normative, including the scope, effective date, references, terms and definitions, tables and annexes, unless otherwise stated.

An Organization wishing to source Controlled Wood from Supply Units (SUs) located in specified and/or unassessed risk areas they (or an affiliated organization) own or manage shall seek independent certification of their forests according to the standard *FSC-STD-30-010 Forest management requirements for Controlled Wood certification* and are not eligible to use this standard for sourcing purposes.

C Effective and validity dates

Approval date	Target: September 2014
Publication date	Target: 01 October 2014
Effective date	Target: 01 January 2015
Period of validity	until 31 December 2019 (or until replaced or withdrawn)

D References

The following documents, in whole or in part, are normatively referenced in this document and are relevant for its application. For undated references, the latest edition of the referenced document (including any amendments) applies.

FSC-PRO-60-002a FSC National Risk Assessment Framework
FSC-PRO-60-002b List of FSC approved Controlled Wood documents
FSC-STD-30-010 Forest management requirements for Controlled Wood certification
FSC-STD-40-004 FSC standard for Chain of Custody certification
FSC-STD-50-001 Requirements for use of the FSC trademarks by Certificate Holders

E Terms and definitions

For the purpose of this standard, the terms and definitions provided in *FSC-STD-01-001 FSC Principles and Criteria for Forest Stewardship*, *FSC-STD-01-002 FSC Glossary of terms*, *FSC-STD-40-004 FSC standard for Chain of Custody certification* and the following apply:

NOTE: Some of the terms included in this standard have updated definitions that differ from the definitions included in the other FSC standards (*FSC-STD-01-002 FSC Glossary of Terms*, *FSC-STD-40-004 FSC standard for Chain of Custody certification*, *FSC-STD-50-001 Requirements for use of the FSC trademarks by Certificate holders*).

Assessed material: Material (e.g. wood, wood products) not covered by a formal FSC claim (FSC certified or FSC Controlled Wood certified), which is being evaluated by The Organization for whether it originates from acceptable sources.

NOTE: This term corresponds with term 'controlled material' used in the standard *FSC-STD-40-004 FSC standard for Chain of Custody certification*, V 2-1.

Centralized National Risk Assessment (CNRA): National Risk Assessment or part thereof, developed centrally by FSC International. (Source: *FSC-PRO-06-002 Development and approval of Controlled Wood National Risk Assessments*)

NOTE: whenever the abbreviation 'NRA' is mentioned in this standard, it also refers to Centralized National Risk Assessments.

Complaint: An expression of dissatisfaction by any person or organization in relation to The Organization's conformance with this standard, including The Organization's suppliers.

Control Measure (CM): An action that The Organization shall take in order to mitigate the risk of sourcing material from 'unacceptable' sources.

Controlled Wood (CW): Material that has been assessed to be in conformance with the requirements of the standard *FSC-STD-40-005 Requirements for sourcing Controlled Wood* or the requirements of the standard *FSC-STD-30-010 Forest management requirements for Controlled Wood certification* to avoid 'unacceptable' sources.

Co-product: Material produced during the primary manufacturing process of another (principal) product, from the same input. (Source: *FSC-STD-40-004 FSC standard for Chain of Custody certification, V 2-1*)

Due diligence: Actions taken by an Organization to minimize risk to 'low risk' of sourcing wood and wood-based material from 'unacceptable' sources.

Due Diligence System (DDS): A framework of procedures and measures taken in order to ensure that due diligence is exercised, based on available written guidelines and procedures approved by The Organization, that describe the due diligence process in detail. A DDS usually contains the following three elements: obtaining information, risk assessment, risk mitigation.

Eligible inputs: Virgin and reclaimed material input that is eligible to enter a specific FSC product group depending on its material category. (Source: *FSC-STD-40-004 FSC standard for Chain of Custody certification*)

Forest conversion: Rapid or gradual removal of natural forest, semi-natural forest or other wooded ecosystems such as woodlands and savannahs to meet other land needs, such as plantations (e.g. pulp wood, oil palm or coffee), agriculture, pasture, urban settlements, industry or mining. This process is usually irreversible. (Source: *FSC-POL-01-004 Policy for the Association of Organizations with FSC*)

FSC Controlled Wood: Material with an FSC claim supplied by a supplier which has been assessed by an FSC-accredited certification body for conformance with Controlled Wood requirements according to the standard *FSC-STD-40-005 Requirements for sourcing Controlled Wood* or *FSC-STD-30-010 Forest management requirements for Controlled Wood certification*.

Illegally harvested wood: Wood that has been harvested in violation of any laws applicable to harvesting in that location or jurisdiction including the acquisition of the harvesting rights from the rightful owner; the harvesting methods used and the payment of all relevant fees and royalties.

Interim Risk Assessment (IRA): An Organization's designation of the risk of sourcing from 'unacceptable' sources in unassessed areas, developed according to *FSC-PRO-60-002a FSC National Risk Assessment Framework* and the standard *FSC-STD-40-005 Requirements for sourcing Controlled Wood*.

Low risk: A conclusion, following a risk assessment, that there is negligible risk that material from 'unacceptable' sources is sourced from a specific geographic area. (Source: *FSC-PRO-60-002a FSC National Risk Assessment Framework*)

NOTE: 'Low risk' as determined by FSC is synonymous to "negligible" risk as defined by Regulation (EU) No 995/2010 of the European Parliament and of the Council of 20 October 2010 laying down the obligations of operators who place timber and timber products on the market (known as the 'EU Timber Regulation').

Low risk area: Area where 'low risk' for sourcing material has been identified through a risk assessment process as described in *FSC-PRO-60-002a FSC National Risk Assessment Framework* and/or in approved National Risk Assessments. (Source: *FSC-PRO-60-002a FSC National Risk Assessment Framework*)

National Risk Assessment (NRA): A designation of risk of sourcing from 'unacceptable' sources in a given country/region, developed according to *FSC-PRO-60-002 Development and Approval of Controlled Wood National Risk Assessments*. (Source: *FSC-PRO-60-002 Development and approval of Controlled Wood National Risk Assessments*)

NOTE: whenever the abbreviation 'NRA' is mentioned in this standard, it also refers to Centralized National Risk Assessments.

The Organization: The person or entity holding or applying for certification and therefore responsible for demonstrating compliance with the applicable requirements upon which FSC certification is based. (Source: *FSC-STD-01-001 FSC Principles and Criteria for Forest Stewardship*)

Quality Management system (QMS): The organizational structure, policies, procedures, processes and resources needed to implement quality management.

Scale, Intensity and Risk (SIR):

Scale: A measure of the extent to which a management activity or event affects an environmental value or a Management Unit (*here Sourcing Unit*), in time or space. An activity with a small or low spatial scale affects only a small proportion of the forest each year, an activity with a small or low temporal scale occurs only at long intervals.

Intensity: A measure of the force, severity or strength of a management activity or other occurrence affecting the nature of the activity's impacts.

Risk: The probability of an unacceptable negative impact arising from any activity in the Management Unit (*here Supply Unit*) combined with its seriousness in terms of consequences.

(Source: *FSC-STD-01-001 FSC Principles and Criteria for Forest Stewardship*)

Significant conversion: Conversion is considered significant in terms of:

- Conversion of High Conservation Value Forests
- Conversion of more than 10% of the forest areas under The Organization's responsibility in the past 5 years
- Conversion of more than 10,000 ha of forests under The Organization's responsibility in the past 5 years.

(Source: *FSC-POL-01-004 V 2-0 Policy for the Association of Organizations with FSC*)

Specified risk: A conclusion, following a risk assessment, that there is a certain risk that forest products from 'unacceptable' sources may be sourced or enter the supply chain from a specific geographic area. The nature and extent of this risk is specified for the purpose of defining efficient Control Measures. (Source: *FSC-PRO-60-002a FSC National Risk Assessment Framework*)

Specified risk area: Area where ‘specified risk’ for sourcing material has been identified through a risk assessment process as described in *FSC-PRO-60-002a FSC National Risk Assessment Framework*. (Source: *FSC-PRO-60-002a FSC National Risk Assessment Framework*)

Supplier: Individual, company or other legal entity providing goods or services to an Organization. (Source: *FSC-STD-40-004 FSC standard for Chain of Custody certification*)

Supply area: The total geographical area from which materials are sourced. The supply area does not need to be defined as a single contiguous area; it may comprise multiple separate areas that span multiple political jurisdictions including countries or multiple forest types.

Supply Unit (SU): A spatial area with clearly defined boundaries managed to a set of explicit long term forest management objectives. This area or areas includes all facilities and areas within or adjacent to this spatial area or areas under legal title or management control of, or operated by or on behalf of a forest manager, for the purpose of contributing to the management objectives.

Unacceptable sources: Sources of material that do not meet the requirements of FSC standards and/or Controlled Wood categories.

Unassessed risk area: Area or areas not covered by National Risk Assessment(s) or areas formally designated as ‘unspecified’ risk in approved NRAs.

Verbal forms for the expression of provisions

[Adapted from *ISO/IEC Directives Part 2: Rules for the structure and drafting of International Standards*]

“*shall*”: indicates requirements strictly to be followed in order to conform to the standard.

“*should*”: indicates that among several possibilities one is recommended as particularly suitable, without mentioning or excluding others, or that a certain course of action is preferred but not necessarily required. A FSC-accredited certification body can meet these requirements in an equivalent way provided this can be demonstrated and justified.

“*may*”: indicates a course of action permissible within the limits of the document.

“*can*”: is used for statements of possibility and capability, whether material, physical or causal.

Part I Quality Management System Requirements

1 Documentation and records

- 1.1 The Organization shall have written procedures covering all applicable requirements of this standard.
- 1.2 The Organization shall ensure that records demonstrating conformance with this standard are maintained and are readily available to auditors.
- 1.3 All relevant records shall be retained for a minimum of five (5) years.
- 1.4 The Organization shall include the following information on all invoices issued for sales of FSC Controlled Wood:
 - a) Name and address of The Organization;
 - b) Name and address of the buyer;
 - c) Date on which the invoice was issued;
 - d) Product description(s) / type of product(s);
 - e) Quantity of the product(s) sold;
 - f) Reference to the product's batch and/or to related shipping documentation;
 - g) The FSC Controlled Wood code issued by the FSC-accredited certification body.
- 1.5 Invoices and shipping documents for sale of FSC Controlled Wood shall include the claim 'FSC Controlled Wood' in case material is supplied to a FSC certified Organization¹. Where sale or transport documents cover different material it shall be specified which products are sold or transported as 'FSC Controlled Wood'.

2 Reporting

- 2.1 The Organization shall make available to their FSC-accredited certification body information related to the results of applying its Due Diligence System to be included in the publicly available certification report.

This information shall include:

- a) The supply area(s) and its risk designation under the Due Diligence System;
- b) Reference to the applicable National Risk Assessment;
- c) Interim Risk Assessment performed by The Organization for unassessed risk areas;
- d) The procedure for filing complaints and contact information for submitting comments / complaints.

NOTE: Information about supply area(s) as per 2.1 a) does not require the description of the exact location (i.e. the Supply Unit) of this area(s). The location should reflect at minimum the scale of risk assessment in the NRA and/or scale applied in Interim

¹ For sale of FSC Controlled Wood, requirements of *FSC-STD-50-001 Requirements for use of the FSC trademarks by Certificate holders* also apply.

Risk Assessment in order to allow meaningful stakeholder input into the certification process.

2.2 For assessed material sourced from areas designated as 'specified risk', the information shall further include:

- a) Identification of the risk(s);
- b) The list of Control Measures established and implemented by The Organization along with references to the relevant Controlled Wood indicators designated as 'specified risk';
- c) For Control Measures that require stakeholder consultation, The Organization's summary of the consultation process performed according to Annex A of this standard;
- d) For Control Measures that require expert engagement, the names of the experts involved² and the scope of their services;
- e) For Control Measures that require field verification, a summary of The Organization's findings, including steps taken by The Organization to address identified non conformities where they occur, unless confidential. The Organization shall provide a justification for the exclusion of confidential information.

NOTE: The confidential nature of the information may be determined by the existing legal regulation The Organization must be in compliance with. Commercially sensitive information may also be treated as confidential.

3 Complaint mechanism

3.1 The Organization shall have and implement a documented procedure to handle complaints related to its non-certified suppliers.

NOTE: The procedure may consist of relevant existing policies, mechanisms etc. of The Organization, in written or other form.

3.2 At minimum, the procedure shall include means and/or mechanisms (unless otherwise stated in the applicable National Risk Assessment):

- a) To acknowledge a compliant;
- b) To inform stakeholders of the complaint procedure;
- c) For forwarding complaints related to risk designation in the relevant National Risk Assessment(s) to the responsible body (as indicated in the NRA);

NOTE: In case a complaint is forwarded to a responsible body, Clauses 3.2. d) - k) do not apply.

- d) For a preliminary assessment of whether evidence provided in a complaint is substantial or not. The substance of evidence shall be assessed against the risk of 'unacceptable material' entering supply chain;

² Where experts give consent to publish their names.

- e) For dialogue with a complainant aiming to solve complaints assessed as substantial before further actions are taken;
- f) For forwarding substantial complaints to the responsible FSC-accredited certification body and relevant FSC National Office within two (2) weeks of receipt of the complaint;
- g) For employing a precautionary approach towards continued sourcing of the relevant assessed material while a complaint is pending;

NOTE: This includes a description of how the precautionary approach is employed by The Organization when a complaint is active.

NOTE: A complaint is considered pending if a complaint has been considered substantial (according to Clause 3.2 d) and before efficient corrective action(s) is taken (according to Clauses 3.2 h-k).

- h) Implementing a verification process (e.g. field verification, desk verification) for a complaint assessed as substantial by The Organization, within two (2) months after its receipt;
- i) For the determination of corrective action(s) to be taken by a supplier and means to enforce its implementation by a supplier if a complaint has been assessed and verified as substantial. If a corrective action cannot be determined and/or enforced, the supply(s) and/or supplier(s) shall be excluded by The Organization;
- j) For verifying whether corrective action(s) has been taken by a supplier and whether the action(s) is efficient;
- k) For the exclusion of supply(s) and supplier(s) in case no corrective action is taken;
- l) For action to be taken by The Organization to ensure that the relevant assessed material will only be accepted as Controlled Wood once it can be demonstrated as being in conformance with FSC Controlled Wood requirements;
- m) For informing the complainant, the responsible FSC-accredited certification body and the relevant FSC National Office of the results of the complaint, and any actions taken towards its resolution, and maintaining copies of relevant correspondence;
- n) For recording and filing all complaints received and actions taken.

- 3.3 If the evaluation of a complaint does not support a 'low risk' determination of the Supply Unit, The Organization shall specify risk via an Interim Risk Assessment (see Section 8) and follow the relevant requirements of this standard, OR the SUs shall be excluded from controlled supplies.

Part II Due Diligence System (DDS)

4 Establishment and implementation of a Due Diligence System

- 4.1 The Organization shall establish and implement a documented Due Diligence System to evaluate their non-certified supplies.

NOTE: The Organization can choose to develop its own DDS or apply a DDS developed by an external party, including FSC-accredited certification bodies not involved in evaluation of The Organization.

- 4.2 The DDS shall consist of the following elements:

4.2.1 The obtainment of information according to Section 5 of this standard;

4.2.2 Risk assessment and mitigation, including:

- a) Use of the relevant National Risk Assessment(s), according to Section 6 of this standard;
- b) Procedures for sourcing from unassessed risk areas, according to Section 8 of this standard;
- c) The mixing of assessed material with other material throughout supply chain(s) according to Section 9 of this standard.

Stakeholder consultation note:

Due Diligence is exercised for assessed material to avoid 'unacceptable' material entering the FSC system, which is why point c above is required and elaborated in Section 9. Due diligence, including risk assessment of mixing, does not require field verification of each supply. Resources (e.g. supplier verification) is only used in cases where 'low risk' for mixing cannot be concluded. This requirement is an effect of adaptation of the EUTR approach by the FSC.

- 4.3 The Organization shall only classify assessed material as Controlled Wood that has been confirmed through the DDS as being sourced in conformance with the requirements of this standard.

- 4.4 The Organization shall review its DDS at least annually to ensure its continued relevance, effectiveness and adequacy.

NOTE: Review of DDS includes review of the effectiveness of implemented risk mitigation means (Control Measures, compare Section 7), as well as any changes in risk assessment (including the existence of any new or expired NRAs).

- 4.5 All non-conformities detected during the DDS review shall be documented.

- 4.6 The Organization shall ensure that all non-conformities are addressed and corrected within 3 months of their detection.

5 Identification of supplies

5.1 The Organization shall have and maintain up-to-date information of each supply of assessed material included within the scope of its DDS, including:

- a) Name and address of supplier(s);
- b) Product type;
- c) Common and scientific name of species;

NOTE: A list of possible species is acceptable for material used in paper, composite board and other fibre products that usually contain many species.

- d) Volume(s) of assessed material purchased;
- e) Country(s) of harvest;
- f) Reference to valid National Risk Assessment(s) and/or Interim Risk Assessment;
- g) Supply area(s) and its risk designation determined according to Section 6 of this standard. Specification of the supply area(s) shall at minimum reflect the scale applied in the National Risk Assessment and/or Interim Risk Assessment.

5.2 Products and material from species listed in Annex 1, 2 or 3 of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) that will be exported shall be accompanied by the applicable licenses and/or export permits.

5.3 The Organization shall require their suppliers to notify them of any changes that may affect the application of their DDS, such as changes in species, origin or supply chain.

6 Risk assessment of supplies

6.1 The Organization shall designate risk of its supply area(s). In order to this, The Organization:

- a) Shall use the valid National Risk Assessment(s) relevant for supply area(s);
- b) May assess the risk of unassessed supply areas according the requirements outlined in Section 8 of this standard.

6.2 The Organization shall classify assessed material as originating from:

- a) 'Low risk' areas. In case 'low risk' has been designated for all five Controlled Wood categories, assessed material can be classified as 'Controlled Wood';
- b) 'Specified risk' areas for any of the five Controlled Wood categories. In that case The Organization shall implement requirements outlined in Section 7 of this standard before assessed material can be classified as Controlled Wood;
- c) Certified sources according to *FSC-STD-01-001* without a formal FSC claim. In this case, the assessed material can be classified as Controlled Wood, if the

supply chain is verified and no mixing with other non-certified material has taken place.

NOTE: Classification of material with a FSC claim (including 'FSC Controlled Wood') is covered in the standard *FSC-STD-40-004 FSC standard for Chain of Custody certification, V 2-1*, Section 3.

6.3 The Organization shall have access to information that allows it to confirm and document the supply area(s), determined according to Clause 6.2.

NOTE: Access to information means that e.g. the information may be verified at the suppliers' site, and/or The Organization may maintain a copy of relevant documentation. Relevant documentation may include but is not limited to legally required transport documents and proof of purchase from the forest of origin, invoicing system relevant for administrative level of supply area, documentation of Supply Unit or origin, etc.

NOTE: A declaration from the supplier may only be used as part of the body of documentation for demonstrating the supply area. A supplier declaration alone, even if covered by a contractual agreement, is not considered sufficient proof of the supply area.

6.4 For co-product inputs, The Organization shall document the supply area with proof of purchase from the Supply Unit or by a legally effective and enforceable agreement with the supplier of the co-products that includes a statement on the sources of origin. This includes:

6.4.1 A written supply agreement shall include:

- a) Information about the geographical origin of the supplied co-products that at minimum reflect the scale applied in the National Risk Assessment and/or Interim Risk Assessment;
- b) A commitment that, in cases where the material is considered as originating from 'specified risk' areas, the supplier will support The Organization in collecting the information necessary for the implementation of established Control Measures;

NOTE: For cases where field verification at the Supply Unit level is established by a Control Measure, information used to identify the forest of origin and the whole supply chain relating to that supply shall be collected.

6.4.2 In the case of a supply agreement, The Organization shall conduct a plausibility check to verify the information provided. These checks shall include at least the following evidentiary criteria:

- a) Is the supplied timber species commercially harvested in the declared supply area (and carries a CITES certificate if required)?
- b) Is the type and quality of the supplied material commercially available from the declared supply area?
- c) Are the distance and means of transportation to The Organization (or to the supplier site in case the supplier is purchasing co-product inputs) consistent with the declared supply area and economically viable?

NOTE: It is the responsibility of The Organization to evaluate the above criteria and come to a fair and objective judgment regarding the plausibility and reliability of the information provided by the supplier. The precautionary principle should

be applied. If the result of the plausibility test is negative, the material cannot be accepted as assessed material input through a supplier agreement.

7 Sourcing from 'specified risk' areas

- 7.1 The Organization shall implement effective 'mandatory' Control Measures provided in the relevant, valid National Risk Assessment(s) to mitigate 'specified risk'.
- 7.2 The Organization may develop and implement alternative Control Measure(s) that are equal to or more effective than the 'mandatory' Control Measures provided in the NRA(s) under the following conditions:
- a) The Organization finds the provided Control Measure(s) as inadequate for the specific Organization's operation and provides a justification for its findings to the relevant FSC-accredited certification body;
 - b) The FSC-accredited certification body approves the alternative Control Measure(s); and
 - c) The Organization has forwarded a description of the alternative Control Measures to the body responsible for NRA maintenance (as defined in the NRA) together with the justification.
- 7.3 Where no 'mandatory' Control Measure is provided and/or no valid NRA exists, The Organization shall establish and implement effective Control Measures to mitigate 'specified risk'.
- 7.4 It is recommended that each Control Measure should comply with the SMART concept (Specific, Measurable, Achievable, Relevant and Tangible, see below).
- a) Specific: Control Measure(s) should describe a single action required for risk mitigation;
 - b) Measurable: Control Measure(s) should specify outcomes or levels (i.e. thresholds) of performance that are measurable during an evaluation. The level of performance required to conform should be clear;
 - c) Achievable: Control Measure(s) should not contain descriptive characteristics;
 - d) Relevant: Control Measure(s) should only include elements that contribute to the risk mitigation of the applicable Controlled Wood indicator(s);
 - e) Tangible: Control Measure(s) should be written using a clear and consistent vocabulary, free from subjective elements. The use of such phrases as 'substantial', 'appropriate to', 'minimize', 'wherever possible', 'thorough' or 'best available' should be avoided.
- 7.5 Establishment of Control Measures where legal requirements contradict FSC requirements shall be documented and dealt with on a case by case basis in consultation with FSC International³ and relevant stakeholders.

³Throughout this addendum, 'FSC International' refers to the staff person within the FSC Policy and Standards Unit designated to manage the FSC Controlled Wood system. Contact details can be obtained through the FSC webpage, www.fsc.org, or by writing to policy.standards@fsc.org.

7.6 Special considerations for the establishment and implementation of Control Measure(s) in relation to Controlled Wood categories shall apply:

- a) For Controlled Wood categories 2 and 3, Control Measures shall ensure the achievement of minimum outcomes as specified in Annex C;
- b) For Controlled Wood categories 2 and 3, expert(s) independent from The Organization shall be engaged in the establishment of Control Measures. Chosen experts shall meet the minimum requirements provided in Annex B;
- c) Relevant approved Controlled Wood documents shall be used when establishing Control Measures (e.g. HCV assessment frameworks);
- d) Whenever stakeholder consultation is required in a Control Measure, it shall be conducted according to requirements provided in Annex A of this standard;
- e) Indicators and verifiers in an approved Forest Stewardship National Standard, the FSC-accredited certification body standards or International Generic Indicators (IGIs) may be used as Control Measures where relevant.

7.7 Whenever field verification at the level of Supply Unit is required in a Control Measure, verification of these SUs shall be conducted according to the standard *FSC-STD-30-010 Forest management requirements for Controlled Wood certification*, Sections 4-8. Additionally the following apply:

NOTE: Requirements of this clause apply only for the 'specified risk' Category(s) of Controlled Wood.

NOTE: The term 'The Organization' in *FSC-STD-30-010* corresponds with the entity responsible for forest management in the Supply Unit(s).

7.7.1 Persons conducting field audits shall meet requirements of Annex B;

7.7.2 A brief description of audited Supply Units, including approximate area, prevailing forest type, prevailing size of the operation (determined according to Scale, Intensity and Risk – SIR) and structure of the ownership shall be completed

7.7.3 Collecting of evidence needed to demonstrate that audited Supplying Unit(s) complies with the requirements for Controlled Wood. These shall be available for verification by the FSC-accredited Certification Body;

7.7.4 The company shall classify the Supply Units as sets of 'similar' units for the purpose of sampling. The sets shall be selected to minimize variability within each set. 'Similarity' in the contents of this standard is meant in terms of:

- a) Forest type (e.g. natural forest, plantation),
- b) Geographical location (supply area)
- c) SIR of operation (e.g. corresponding with SLIMF⁴);

⁴ *FSC-STD-01-003 SLIMF eligibility criteria*. The term 'Supply Unit' used in this standard corresponds with the 'Forest Management Unit' in the standard *FSC-STD-01-003*.

- 7.7.5 For each set of 'similar' SUs the company shall select at least 0.8 times the square root of the number of units for evaluation. For sets that consist entirely of SUs that qualify as Small or Low-Intensity Managed Forests (SLIMFs), the number of units selected shall be at least 0.6 times the square root of the number of units (y) within that group (i.e. $x = 0.6\sqrt{y}$), rounded to the upper whole number;
- 7.7.6 Samples for field verification shall be defined randomly;
- 7.7.7 The frequency of field audits shall be sufficient for risk mitigation and at least annually;
- 7.7.8 A sufficient variety and number of sites within each SU selected for evaluation shall be visited to make direct, factual observations of conformity with Controlled Wood requirements; For Category 3 verification of the MU it is recommended that all the harvesting sites are inspected;
- 7.7.9 All non-conformities detected shall be treated as non-conformities detected in The Organization's DDS (compare Section 4);
- 7.7.10 Reports or records of verification audits shall be accessible to the FSC-accredited certification body and FSC-authorized personnel.
- 7.8 The Organization shall review their Control Measures at a frequency relevant to the risk, but at least annually to maintain their effectiveness in risk mitigation.
- 7.9 The Organization shall confirm Control Measure(s) effectiveness via documented internal verification before assessed material can be classified as Controlled Wood (compare Clause 4.5).
- 7.10 The Organization shall monitor effectiveness of risk mitigation through its supply chain(s), including:
 - a) Informing suppliers about all applicable requirements and request from them to pass the information on to their sub-suppliers through the whole supply chain;
 - b) Ensuring that their FSC-accredited certification body is granted access to evidence of conformance with applicable requirements and access to conduct supply chain and forest level audits where relevant;
 - c) Ensuring that The Organization is granted access to evidence of conformance with applicable requirements and access to conduct supply chain and forest level audits where relevant;

NOTE: Monitoring of supply chains does not mean implementation of this standard by suppliers.

8 Sourcing from unassessed areas

NOTE: In countries (or regions) where no approved National Risk Assessment exists, all areas shall be considered as 'unassessed risk' for all Controlled Wood categories, until a risk determination is provided by FSC. Unspecified risk areas in existing

National Risk Assessments approved before the effective date of this standard shall also be considered as 'unassessed' risk areas.

8.1 Sourcing Controlled Wood from unassessed risk areas is only possible when:

8.1.1 A FSC-accredited certification body confirms a 'low risk' designation via evaluation of Supply Units according to *FSC-STD-30-010 Forest management requirements for Controlled Wood certification* (Sections 4 to 10)⁵ at the discretion of The Organization.

NOTE: This process does not result in a certificate of the evaluated Supply Unit against *FSC-STD-30-010*.

8.1.2 The Organization has conducted an Interim Risk Assessment according to Clause 8.2 and has implemented requirements of this standard according to the concluded risk designation. This option shall not be applied after **31 December 2017**.

Stakeholder consultation note:

The Option described under 8.1.2 will only be available for a limited amount of time, while National Risk Assessments are developed. After 31 December 2017, the only possibilities to source CW will be according to 8.1.1 and/or from 'low risk' areas identified via the Centralized National Risk Assessment.

8.2 For Interim Risk Assessment as per 8.1.2 above, the following apply:

8.2.1 Interim Risk Assessment shall be conducted for areas of unassessed risk, and unassessed Controlled Wood Categories, according to the requirements of this standard together with *FSC-PRO-60-002a FSC National Risk Assessment Framework*, with the following considerations:

- a) Sources of information: it is required to consider all sources of information provided and/or described in *FSC-PRO-60-002a* when they are relevant to the area under assessment. When The Organization has access to country/region specific sources they shall be used;
- b) The Organization shall consider any information relevant for its supply area(s) received from stakeholders. The Interim Risk Assessment shall summarize such information and explain how it has been taken into account;
- c) For Controlled Wood Category 1 assessment conducted for co-products, requirements of Clause 8.2.2 may apply.

8.2.2 For co-products, an Organization located within the European Union is allowed to classify another country in European Union as 'low risk' for Controlled Wood Category 1 if the following is met:

- a) The round wood from which the co-products originate has been harvested in the European Union.

⁵ The CB is required to conduct the evaluation in line with the standard *FSC-STD-20-012*.

- b) The co-products are produced and supplied by a supplier located in the European Union.
- c) The supplier of the co-products shall be required to provide all necessary information as required by the EUTR and Clause 6.4 of this standard.
- d) The Organization sourcing co-products and applying this requirement must agree in writing to participate in the FSC Fiber Testing program. Agreements shall be sent to the FSC Quality Assurance Unit. Annex F may be used in the implementation of this requirement.

8.2.3 Interim Risk Assessments shall be reviewed at least annually to verify the continued correctness and relevance of risk designation, and be revised when necessary. This includes:

- a) Review and revision should be conducted before the annual surveillance of the FSC-accredited certification body;
- b) The company shall review/revise its risk assessment when significant changes to the risk in unassessed supply area(s) become evident (i.e. changes in the law, breakdown in rule of law through civil unrest, etc.).

NOTE: The FSC-accredited certification body is to verify the Interim Risk Assessment during annual surveillance as per a) above.

8.2.4 Organizations sourcing from the same unassessed risk area are allowed to perform joined Interim Risk Assessment for this area.

8.2.5 Interim Risk Assessments may be outsourced to external bodies that have the required expertise in relation to the assessed categories. For minimum qualifications of experts see Annex B.

8.2.6 The Organization shall submit Interim Risk Assessment conducted for/extended to new supply areas to its FSC-accredited certification body.

8.2.7 It is recommended to use the template provided in Annex G to present the results of the Interim Risk Assessment.

9 Assessment and risk mitigation of mixing material

NOTE: This section specifies requirements for assessing and mitigating risks of mixing material with non-eligible inputs throughout the non-certified supply chain.

- 9.1 The Organization shall assess the risk of mixing material under control with non-eligible inputs in the non-certified supply chain during transport, processing or storage.
- 9.2 The Organization shall document the risk assessment process and provide justification of the risk assessment results for each product group and supply chain.
- 9.3 The risk assessment shall be reviewed at least annually and whenever changes occur to the non-certified supply chain that could alter the risk assessment of that supply chain.
- 9.4 The Organization shall develop and implement effective and justified measures for mitigating the risk of mixing assessed material with non-eligible inputs.

Annex A Minimum requirements for stakeholder consultation

- 1 Where a Control Measure requires a consultation process with affected and interested stakeholders, it shall be implemented adequate to the size and scale of The Organization's operation, based on the following requirements:

- 1.1 Stakeholder identification: The Organization shall identify affected and interested stakeholders in relation to forest management activities of their suppliers including stakeholder groups as provided in Annex A of *FSC-PRO-60-002*. The Organization shall use stakeholder lists and contact details provided by their FSC-accredited certification body and/or in the relevant National Risk Assessment for this purpose.

- 1.2 Stakeholder notification: Identified stakeholders shall be invited to participate in the consultation at least six (6) weeks prior to the formal consultation as specified in 1.3 below. The Organization shall employ effective means to inform stakeholders. The consultation techniques employed shall be culturally appropriate. The FSC Network Partner shall also be notified where they exist.

NOTE: Techniques may include: face to face meetings; personal contacts by phone, email, or letter; notice published in the national and/ or local press and on relevant websites; local radio announcements; or on local customary notice boards in the language of the local people and email contacts in the language of the recipients.

- 1.3 Stakeholder consultation: All identified stakeholders shall be provided access to information that is relevant for the consulted issue well in advance, to be able to provide informed comments. The Organization may only exclude information that it considers confidential⁶. Stakeholders shall be asked to provide their consent to publication of their comments.

NOTE: Examples of consultation techniques include: arrangements for individual or group meetings, structured interview by telephone, contact by mail or e-mail with a request for written comments to a predetermined set of specific questions.

- 1.4 Stakeholder feedback: Within thirty (30) days after the end of the consultation period, The Organization shall respond to all stakeholders who participated in the consultation process, showing how their comments were taken into account.

- 1.5 Consultation records: The Organization shall maintain records of the consultation process, including a list of stakeholders consulted with their comments and evidence that the consultation was carried out in line with the requirements of this standard.

- 2 The Organization shall prepare a consultation report, including:

- a) Geographical areas for which the stakeholder consultation has been conducted (e.g. geo-reference data, state, province, SU);
 - b) List of stakeholders invited by the company to participate in the consultation;

⁶ A justification for the confidential nature of the information shall be presented to the relevant FSC-accredited certification body.

- c) Summary of the stakeholder comments received. Comments shall only be published with prior consent from the consulted stakeholder;
- d) Description of how the company has taken stakeholder comments into account;
- e) Company's justification for concluding that the material sourced from these geographical areas can be considered as Controlled Wood.

NOTE: the consultation report is included in the public summary of the certification process according to Section 2 of this standard.

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Annex B Minimum requirements for qualification of experts to be involved in Control Measure establishment

- 1 Experts or expert groups involved in risk assessment processes and/or Control Measures development shall at minimum meet the following requirements:

1.1 Controlled Wood Category 1 (Illegally harvested wood):

- a) Expert knowledge on legality in the forestry sector on the national/regional level (please consult Table 1 in *FSC-PRO-60-002a*), assessed based on demonstrated experience and/or education and/or licenses in the relevant area.

NOTE: Experts that have relevant knowledge in one area (e. g. one sub-category of law) can only support the risk assessment process and/or Control Measure development for this area of expertise (e.g. for the relevant sub-category of law).

1.2 Controlled Wood Category 2 (Wood harvested in violation of traditional and human rights)

- a) Expert knowledge on the rights and presence of indigenous people and/or traditional people within the area under assessment, assessed based on confirmed experience and/or education and/or licenses in the relevant area;
b) Knowledge (including awareness) of existing conflicts pertaining to traditional rights;
c) Confirmed experience in consultation/mediation with indigenous and traditional peoples;

1.3 Controlled Wood Category 3 (Wood from forests in which high conservation values are threatened by management activities)

- a) Expert knowledge on the presence, distribution and/or threats to environmental values within the area under assessment (with a focus on forest ecosystems) confirmed by conservation experience and education and/or relevant licenses, and;
b) Expert knowledge of forest management practices within the area under assessment, assessed based on confirmed experience and/or education and/or licenses in the relevant area;

1.4 Controlled Wood Category 4 (Wood from forests being converted to plantations and non-forest use)

- a) Expert knowledge about forest management practices within the area under assessment, based on confirmed experience and/or education and/or licenses in the relevant area;

1.5 Controlled Wood Category 5

No specific expert knowledge is required.

Annex C Minimum outcomes to be achieved by Control Measure implementation

- 1 For areas designated as 'specified risk' for Controlled Wood Category 2, indicator 2.3 ('The rights of Indigenous and Traditional Peoples are upheld'), Control Measure(s) shall ensure that Controlled Wood is sourced from areas where FPIC is implemented.
- 2 Control Measures established for mitigating risk related to HCVs shall achieve the following outcomes provided in Table A below:

Table A. Minimum outcomes to be ensured by Control Measures established for 'specified risk' for HCV 1-6.

HCV Category	Outcomes for CMs
1	N/A
2	<ul style="list-style-type: none">- Material does not originate from Intact Forest Landscape(s), AND- Sourcing from areas where management activities do not contribute to / increase HCV fragmentation.
3	<ul style="list-style-type: none">- Material does not originate from areas where HCVs are present, OR- Sourcing from areas where specific measures are in place that are designed to protect the HCV inherent in the ecosystem (e.g. logging in areas of old growth⁷ is designed to protect the extent and values of old growth).
4	<ul style="list-style-type: none">- Material does not originate from mapped watersheds that are supplying local communities with drinking water, OR- Sourcing from areas where best practices of forest management are applied in the area under assessment, including water course buffers, equipment restrictions, road building, protection against contamination, pesticide use. <p>NOTE: best practices implementation may be assessed based on enforcement of codes of best practices and other, general regulations.</p>
5 - 6	<ul style="list-style-type: none">- Material does not originate from areas where HCVs are present, OR- Sourcing from forests where there is documentation confirming local communities' or indigenous peoples' engagement and accommodation.

⁷ An old-growth forest (also termed primary forest, virgin forest, primeval forest, late seral forest, or in Britain, ancient woodland) is a forest that has attained great age without significant disturbance and thereby exhibits unique ecological features and might be classified as a climax community. Old-growth features include diverse tree-related structures that provide diverse wildlife habitat that increases the bio-diversity of the forested ecosystem. The concept of diverse tree structure includes multi-layered canopies and canopy gaps, greatly varying tree heights and diameters, and diverse tree species and classes and sizes of woody debris. Source: http://en.wikipedia.org/wiki/Old-growth_forest (last access: 30.04.2014).

Annex D Examples of Control Measures and verifiers

NOTE : Different Control Measures can be established for different ownership structures, different groups of suppliers, different certificate holder types (e.g. primary v. secondary manufacturers, pulp v. round wood), etc.⁸).

NOTE : The Control Measure(s) depends on the type of potential risk. Mitigation of some risks will require verification by a field visit to the harvesting sites, document control or both.

NOTE: Control Measures may be accompanied by means of verification demonstrating their adequacy and/or effectiveness (e.g. records, documents, maps, site visits, interviews, etc.).

1 General examples of Control Measures are provided below. For specific examples for each Category please refer to Table B.

- a) Stakeholder consultation. For minimum requirements for stakeholder consultation as a Control Measure, see Annex A;
- b) Expert engagement;
- c) Document verification;
- d) Field and supply chain audits;
- e) Field verification at the SU level;
- f) Third party verification with specification of the parties required and acceptable/exemplary method of verification;
- g) Tests to confirm species and/or origin, such as DNA tests, isotope tests and fibre tests (e.g. to confirm origin of species covered by CITES);
- h) Legally binding agreements with suppliers and sub-suppliers related to risk mitigation (e.g. conformance commitments with procedures, right to audit at any time, obligations to provide information within a certain time frame);
- i) Training and capacity building of suppliers and sub-suppliers related to risk mitigation;
- j) Exclusion of suppliers.

Table B. Examples of Control Measures for ‘specified risk’ areas.

Controlled Wood Indicator	Examples of Control Measure(s)/Verifiers
1.1 Land tenure and management rights	<p>Land registry shall confirm ownership and validity of property deed.</p> <p>Tax authorities shall confirm valid tax registration.</p> <p>The business register provides evidence of valid business licenses to operate within the jurisdiction.</p> <p>In areas with land ownership conflicts, consultation with neighbours, local communities and others provides evidence that land tenure rights are clear.</p> <p>Stakeholder consultation provides evidence that registration of Forest Management Enterprise has been granted following legally prescribed processes.</p> <p>Stakeholder consultation provides evidence that legal status of the operation or rights for conducting the established activities are not subject to court orders or other legally established decisions to cease operations.</p> <p>The management contract or other agreements with the owner shall indicate clear management rights.</p> <p>Valid business registration documents shall exist.</p> <p>The issuance of legal rights and registration shall be subject to public disclosure prior to</p>

⁸ See functional scale of risk assessment in *FSC-PRO-60-002a FSC National Risk Assessment Framework*

	commencement of any activities within SUs.
1.2 Concession licenses	<p>Proper legal procedures for obtaining concession licenses shall be followed.</p> <p>Valid concession license agreements shall exist.</p> <p>The process of obtaining concession shall follow an open and transparent process based on clear criteria and be confined to eligible organisations.</p> <p>Independent stakeholder consultation provides evidence that legal procedures for obtaining concession licenses have been followed.</p> <p>Inspections of harvesting sites shall confirm that harvesting takes place within property limits (including felling, transport and log landings).</p>
1.3 Management and harvesting planning	<p>Approved forest management plans shall exist for the SU where the harvesting is taking place.</p> <p>Forest management plans shall contain all legally required information and procedures.</p> <p>Annual operating or harvesting plans shall be in place and approved by legally competent authorities.</p> <p>Annual operating or harvesting plans shall contain information and procedures, according to all legal requirements.</p> <p>The contents of the operating and harvesting plans shall be consistent with approved forest management plans.</p> <p>Plans for carrying out harvesting operations shall be subject to public disclosure and objections prior to commencement if legally required.</p> <p>Harvesting restrictions shall be identified in management plan and maps if legally required.</p> <p>Harvesting inventories shall be conducted according to legal requirements.</p> <p>Field verifications shall indicate that the contents of the harvesting plans are adhered to in the field.</p> <p>Stakeholder consultation shall indicate that the forest management plan has been approved according to legally prescribed processes.</p> <p>The contents of the management plan shall be technically sound and consistent in meeting legal requirements.</p>
1.4 Harvesting permits	<p>Harvesting permits (license or similar legal document governing the harvesting of forest resources) shall exist.</p> <p>Harvesting limits shall be clearly defined based on maps and quantities.</p> <p>Authorities shall confirm the validity of the harvesting permit.</p> <p>Stakeholder consultation provides evidence that the harvesting permit has been issued according to the relevant laws and regulations by the legally designated competent authority.</p> <p>Field inspection shall confirm that harvesting takes place within limits given in the harvesting permit.</p> <p>Field inspection shall confirm that information regarding area, species, volumes and other information given in the harvesting permit are correct and within limits prescribed in the legislation.</p> <p>Field inspection shall confirm that all harvesting restrictions given in the harvesting permit are observed such as buffer zones, protected trees, placement of logging trails etc.</p>
1.5 Payment of royalties and harvesting fees	<p>Receipts shall exist for payments (harvesting related royalties, relevant taxes, harvesting fees and other charges).</p> <p>Volumes, species and qualities given in sales and transport documents shall match the paid fees.</p> <p>Classification of species, volumes and qualities shall match the royalties and fees paid.</p> <p>Authorities shall confirm that the operation has paid all applicable fees.</p>
1.6 Value added taxes and other sales taxes	<p>Sales documents shall include applicable sales taxes.</p> <p>Receipts for payment sales taxes shall exist.</p> <p>Volumes, species and qualities given in sales and transport documents shall match the fees paid.</p> <p>Sales prices shall be in line with market prices.</p> <p>Harvested species, volume and qualities shall match the sales documents.</p> <p>Authorities shall confirm that the operation is up to date in payment of applicable sales taxes.</p>
1.7 Income and profit taxes	<p>Volumes, species and qualities given in sales and transport documents shall match the paid fees.</p> <p>Classification of species, volumes and qualities shall match the royalties and fees paid.</p> <p>Authorities shall confirm that the operation is up to date in payment.</p> <p>Harvesting shall be conducted within the authorised boundaries of the SU.</p> <p>Harvesting shall not take place in areas where harvesting is legally prohibited.</p> <p>Tree species or selected trees found within the SU for which felling is prohibited shall be listed in operational plans.</p> <p>Harvesting restrictions shall be observed in the field.</p> <p>Tree species or selected trees found within the SU for which felling is prohibited shall be marked in the field.</p> <p>All legally protected areas (including species habitats) shall be included in the management plan or related documentation if required by the legislation.</p>

	Legal established procedures for surveying, managing and protecting endangered or threatened species within the Supply Unit shall be followed. Nature protection regulations such as related to protected areas, set-aside areas, protected species and hunting regulations shall be enforced.
1.8 Timber harvesting regulations	Harvesting shall be conducted within the authorised boundaries of the SU. Harvesting shall not take place in areas where harvesting is legally prohibited. Tree species or selected trees found within the SU for which felling is prohibited shall be listed in operational plans. Harvesting restrictions shall be observed in the field. Tree species or selected trees found within the SU for which felling is prohibited shall be marked in the field.
1.9 Protected sites and species	All legally protected areas (including species habitats) shall be included in the management plan or related documentation if required by the legislation. Legal established procedures for surveying, managing and protecting endangered or threatened species within the Supply Unit shall be followed. Nature protection regulations such as related to protected areas, set-aside areas, protected species and hunting regulations shall be enforced.
1.10 Environmental requirements	Environmental and/or Social Impact Assessments shall be in place and approved by the legally competent authority if legally required. Requirements for environmental monitoring shall be met. Environmental restrictions shall be followed in the field, such as requirements related to soil damage, buffer zones, retention trees, seasonal restrictions, etc.
1.11 Health and safety	Occupational health and safety requirements shall be observed by all personal involved in harvesting activities. Interviews with staff and contractors shall confirm that legally required protection equipment is required / provided by the organisation.
1.12 Legal employment	Persons involved in harvesting activities shall be employed under a formal contract if legally required. Persons involved in harvesting activities shall be covered by obligatory insurances. Persons involved in harvesting activities shall hold required certificates of competence for the function they carry out. At least the legally established minimum salaries shall be paid for personal involved in harvesting activities. Salaries shall be paid officially and declared by the employer according to requirements for personal involved in harvesting activities. Minimum age shall be observed for all personnel involved in harvesting activities. Minimum age shall be observed for all personnel involved in hazardous work. Stakeholders provide evidence that forced or compulsory labour is not involved in harvesting activities.
1.13 Customary rights	Stakeholder consultation provides evidence that customary rights are upheld during harvesting activities. Expert engagement to determine specific legal obligations regarding traditional and human rights, and to ensure that the legislation consulted is current (considers most recent amendments); and considers judicial decisions relevant to interpreting legal obligations.
1.14 Free, Prior and Informed Consent	Stakeholder consultation provides evidence that legal requirements related to free, prior and informed consent was upheld regarding forest management rights. Expert engagement to determine specific legal obligations regarding traditional and human rights, and to ensure that the legislation consulted is current (considers most recent amendments); and considers judicial decisions relevant to interpreting legal obligations.
1.15 Indigenous Peoples/Tradit ional Peoples' rights	Stakeholder consultation provides evidences that Indigenous Peoples'/Traditional Peoples' legally established rights are not being violated. Expert engagement to determine specific legal obligations regarding traditional and human rights, and to ensure that the legislation consulted is current (considers most recent amendments); and considers judicial decisions relevant to interpreting legal obligations.
1.16 Classification of species, quantities, qualities	Products shall be correctly classified (species, quantities, qualities etc.) on sales documents, custom declarations and other legally required documents.
1.17 Trade and transport	Species and product types shall be traded legally. Required trade permits shall exist and be documented. All required transport documents shall exists and be stored. Volume, species and qualities shall be classified according to legal requirements. Documents related to transportation, trade or export shall be clearly linked to the specific material in question. Trading documents shall allow to track materials back to the origin.

1.18 Offshore trading and transfer pricing	If illegal in the country of the supplier or sub-supplier, the products shall not have been traded through countries known as 'tax havens'. There shall be no illegal manipulation in relation to the transfer pricing.
1.19 Custom regulations	Sourcing Controlled Wood shall take place in compliance with the legality framework identified for the area. Verifiers: Products shall be correctly classified (type, custom code, species, quantities, qualities, etc.). All required import and exports permits shall be in place.
1.20 CITES	All cross border-trade of CITES-listed species shall be documented and accompanied by required export, import and re-export certificates issued by competent authorities (CITES Management Authorities).
2.1	The Organization is not involved in trade of conflict timber. Documentation of origin shall confirm that forest products do not originate from areas of conflict timber.
2.2	Field verification according to the requirements for Category 2 in the standard <i>FSC-STD-30-010</i> . Interviews with management and workers to assess awareness of labour laws and adherence to regulations.
2.3	Stakeholder consultation shall confirm that harvesting takes place with respect to social rights. This includes forest dependent communities and civil society, as well as national and international NGOs that monitor the status of social rights in the area under consideration. [Examples of stakeholder consultation implementation: active consultation methods, e. g. as used in Santa Catarina Natural Resource Management and Rural Poverty Reduction Project (Brazil) ⁹ : This project used innovative consultation methods based on expert facilitators familiar with the communities being consulted.] Field verification according to the requirements for Category 2 in the standard <i>FSC-STD-30-010</i> . Written agreement (including Community Protocol) and/or other means of demonstration shall confirm FPIC implementation. Community Protocols ¹⁰ are implemented (confirming e.g. FPIC implementation).[Examples of Community Protocols implementation: natural Justice (Lawyers for Communities and the Environment) has pioneered this concept, and has helped communities to develop protocols to ensure benefit sharing relating to plant genetic resources for food and agriculture (Peru); protect indigenous territory (Panama); and protect sacred natural sites (Africa). This concept has been included within the Nagoya Protocol on Access and Benefit Sharing, under the Convention on Biological Diversity.] Social Responsibility Agreements (SRAs) are signed, that outline the agreed organization's (certified Organizations, forest managers) obligations towards Indigenous and Traditional Peoples and local communities with traditional rights. [Examples of usage: IIED has produced a report documenting the use of SRAs in Ghana, highlighting lessons learned ¹¹ .] Document verification confirms implementation of social rights including the social rights of women and children. Document verification confirms Ingenious, Traditional Peoples and local community's rights are respected and upheld. Verifiers: Verification of documents establishing legal ownership and tenure rights (e.g. property deed, management contracts, or other agreements); Interviews with representatives of IP/TP/local communities to assess awareness of their rights and whether they were respected.
3.0	No control measures (indicator serves for risk assessment purpose only).

⁹<http://www.worldbank.org/projects/P043869/santa-catarina-natural-resources-management-rural-poverty>;
<http://www.forestpeoples.org/-reduction-project?lang=en>

¹⁰ Community Protocols are documents produced by communities that set out how the community expects other stakeholders to engage with them, based on an assertion of their customary rights. 'Natural Justice' has pioneered this concept. For more information, see <http://naturaljustice.org>.

¹¹ IIED, 2008. <http://www.vpa-livelihoods.org/DownloadHandler.ashx?pg=955c5948-8262-4261-9b2f-4c3d8d6523db§ion=19d97aa1-4466-43d2-99d4-29728d21637a&file=SocialresponsibilityagreementsinGhanaForestryIIED.pdf>

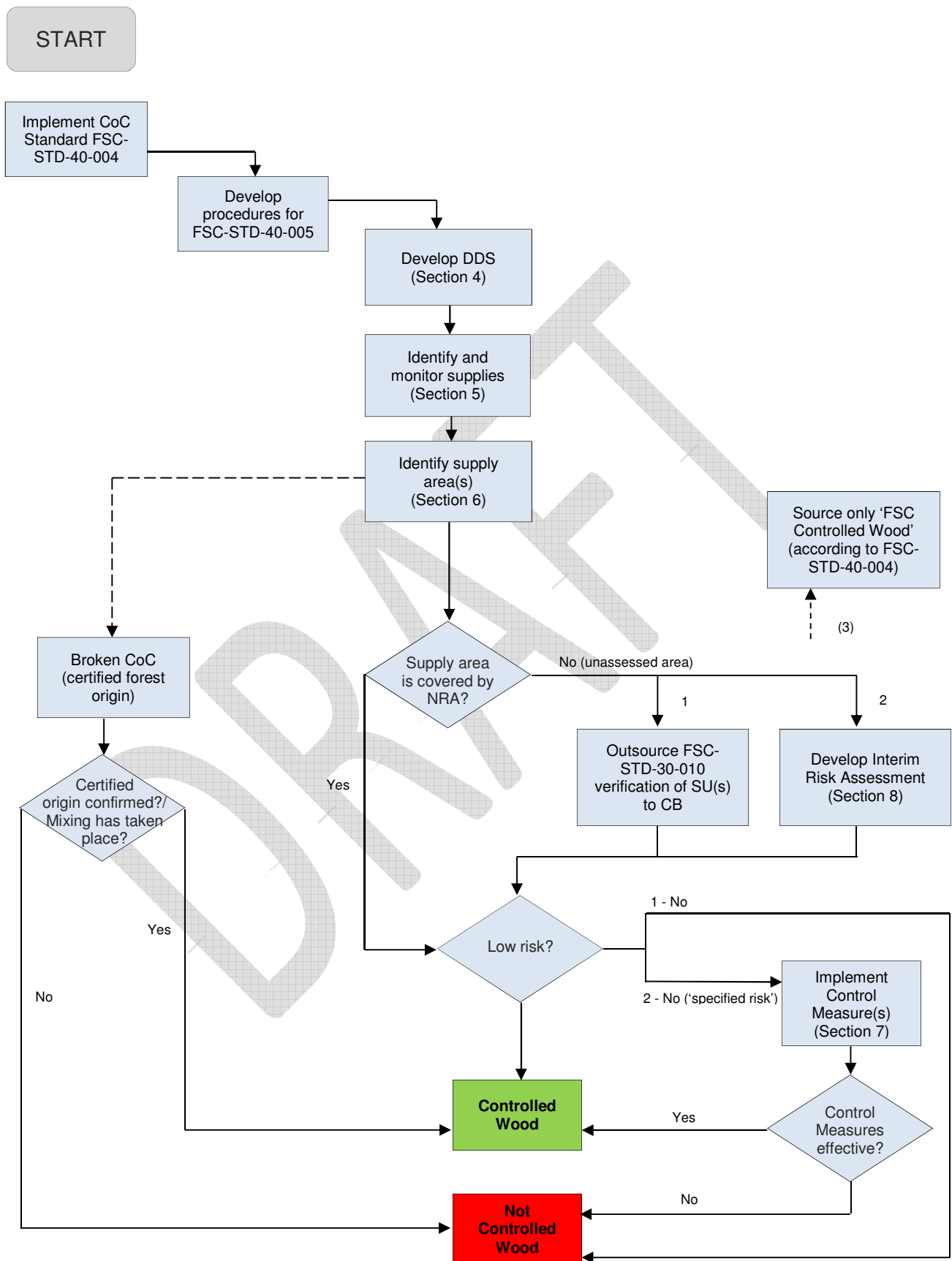
3.1-3.6	Consultation with experts (who meet requirements provided in Annex 4 of this document) confirms that material is sourced from areas where HCV are not threatened by management activities or consultation with experts results in development and implementation of management actions that mitigate risk to HCVs.
3.1	Harvesting does not take place where species concentrations are likely to occur. Tree species protected under HCV category 1 are not harvested. Consultation with experts (who meet requirements provided in Annex 4 of this document) confirms lack of species concentration within the sourcing area. Forest management plan exists and includes professional inventory of threatened species along with relevant management measures that ensure lowering risk that management activities threaten the species survival (e.g. set aside areas have been identified). HCVs are recognized and protected during management activities. Verifiers: field sampling of logging areas. Timber tracking systems.
3.2	Existing legal protection of HCVs is effective ²⁰ in the sourcing area. Verifiers: Inspection of management plans. Forest management activities do not cause fragmentation of large landscape forests.
3.3	Consultation with experts (who meet requirements provided in Annex 4 of this document) confirms protection of endangered ecosystems within the sourcing area. Consultation with experts relevant for the sourcing area confirms that forest management practices implemented in the sourcing area do not significantly threaten HCV. Forest management plan exists and includes professional review of endangered ecosystems along with relevant management measures ensuring that forest management activities do not threaten the species survival (e.g. set aside areas have been identified, adaptive management such as selective harvesting has been planned). Sourcing from forest areas where forest managers supplying controlled wood are capable of identifying unmapped occurrences of these values and protecting these values from threats. Verifiers: Pre-harvest HCVF inventory of the SU(s) and neighboring sites is implemented that confirms that planned management activities do not pose a threat to the HCVs. HCVs are recognized and protected during management activities. Verifiers: field sampling of logging areas. Timber tracking systems. Verification of location records (GPS techniques, geo-reference of harvesting sites).
3.4	In some cases where local communities depend on water from forest areas and there is no regulatory capacity to protect access to potable water, consultation with stakeholders and FPIC may be required by NRAs. Techniques used in forestry operations prevent damaging/impoverishment of resources. Verifiers: establishment of buffer zones, equipment exclusions, improved road building including stream crossing, harvesting take place only when soil is frozen. Selective felling systems are used, etc.
3.4-3.6	Stakeholder consultation confirms implementation of free, prior and informed consent (FPIC*) of Indigenous Peoples, Traditional Peoples, local communities with traditional rights in forestry operations in sourcing area.
4.1	Written and binding agreements with suppliers shall mitigate risk that material supplied does not originate from forest areas converted into plantation or non-forest use or in some cases acceptable sources of conversion (e.g. conversions that result in conservation benefit, SLIMF sources with maximum size, publicly approved changes in zoning in urban areas, etc.). Verifiers: Verification of permits for harvest from an appropriate authority that indicates non conversion or acceptable source of conversion. Verification of enforcement of the agreement and procedures related to conversion. The Organization's sourcing policy commits to no conversion from natural forests to plantations or non-forest use exists and is communicated to suppliers. Verifiers: Document verification. Training suppliers. Interview with forest managers. Field visits on harvesting sites. Stakeholder consultation confirms that suppliers are not engaged in forest conversion. Sourced tree species are not occurring in forests threatened by conversion in the sourcing area.
5.1	Species identified as potential GM tree 'species' are excluded from sourcing in the supply chain(s). SUs that contain GM trees are excluded from sourcing. Testing for wood from GMO at the point of reception is implemented. Field verification confirms that no GMO of sourced species is present. Verifiers: Verification of documents of seedling origin. Verification of documents veracity and quality.

Annex E Summary of the Controlled Wood evaluation process (informative)

Summary of the steps required for Controlled Wood evaluation as prescribed in this standard:

1. Implement CoC requirements as per *FSC-STD-40-004*.
2. Develop written procedures covering all applicable elements of the standard.
3. Establish DDS (Section 4).
4. Identify supplies (Section 5, including CITES).
5. Identify supply areas: where is wood sourced from? (Section 6).
6. Check risk designation in National Risk Assessment(s) or develop Interim Risk Assessment and classify your supply areas according to Section 6.
7. For 'low risk' areas no additional actions required – you can classify assessed material as Controlled Wood. Keep documentation and monitor internally.
8. For 'specified risk' supply areas:
 - Check for which categories and indicators risk is specified
 - Establish and implement the Control Measures
 - Check the effectiveness of Control Measures as part of internal monitoring

The steps described above are illustrated in a flowchart on the next page.



Annex F Participation in the FSC Fiber Testing program (informative)

Participation in the FSC fiber testing program includes:

- 1 Confirmation of participation
 - 1.1 Certificate Holder (CH) informs its Certification Body (CB) in writing about its agreement to participate in the FSC Fiber Testing program, using the template provided below.
 - 1.2 The CB notifies the FSC Supply Chain Integrity Manager: fiber-testing@fsc.org about the CH's participation by forwarding the signed form (digital and/or printed version).
 - 1.3 The FSC Supply Chain Integrity Manager confirms the participation and informs the CH about the participation process described below.
- 2 Instructions for submission of samples
 - 2.1 The FSC Supply Chain Integrity Manager requests the CH to send a representative sample for each product group to the US Forest Products Lab and informs the relevant CB about this request.
 - 2.2 If the sample is a fiber product, then the sample must be at least the size of an A5 sheet; 2-3 sheets are preferred. If it is a solid wood product or fiberboard, the sample must be the size of approximately 10 x 7 x 3 cm (e.g. a deck of cards) or bigger.
 - 2.3 The CH fills in the sample submission form provided below, and submits it directly to the Forest Products Lab along with the sample, keeping fiber-testing@fsc.org in CC.
- 3 Results
 - 3.1 Results will be recorded by the Supply Chain Integrity Manager in a central database managed by FSC International.
 - 3.2 Results will be shared by the Supply Chain Integrity Manager with the CH and the CB.

Template form of the agreement for participation in FSC Fiber Testing program

This form shall be filled in by the Organizations that would like to implement requirements of *FSC-STD-40-005* (Clause 8.2.2) and submitted in PDF format to the responsible certification body. The certification body is responsible for submitting the document to FSC International and for keeping receipt of its sending. The document shall be sent by e-mail to fiber-testing@fsc.org.

Organization Name (as stated on the FSC certificate):	
Name and e-mail address of the FSC representative of The Organization:	
Address (Street number, postcode, city of the head office):	
CW code:	
List of Co-Products:	
Country/Countries of co-product origin:	
Species:	

Hereby I state that¹³ is willing to participate in the FSC fibre testing of co-products by enabling sample selection by FSC from The Organization's certified materials in the event of The Organization falls into the sampling process.

The Organization is aware that first fibre testing of samples taken by the FSC is free of charge. Next fibre testing is free of charge provided that the last testing results do not indicate contamination of unacceptable components. If unacceptable components are indicated in the samples taken from The Organization's material, The Organization shall cover the costs of fibre testing respectively to the amount of the Organization's sample material.

The Organization will make all the fibre testing results received from the FSC available to the Certification Body during the evaluation.

.....
Place, date

.....
Signature¹⁴

Sample submission form

Provide following information on each sample¹⁵ to FSC and Forest Products Lab:

Manufacturer	
FSC License Number	
FSC COC Code	
Stock Keeping Unit (SKU) #	
FSC On Product Label Claim (if labeled)	
Species claim	
FSC Invoice Claim (e. g: FSC-Mix Credit, FSC-Mix x%, FSC-100%/Pure, FSC-Recycled credit, FSC-Recycled x%, FSC-Controlled Wood)	
Claimed Country of Origin (if claimed)	
Photo of the product (optional)	

Address: Forest Products Laboratory; Attn: Alex Wiedenhoef – FSC Project; One Gifford Pinchot Drive; Madison WI 53726-2398; USA.

¹ Organization name

¹⁴ Signature of the FSC representative

¹⁵ Fiber product samples must be at least the size of an A5 sheet or more; 2-3 sheets are preferred. Solid wood or fiberboard samples must be at least the size of approximately 10 x 7 x 3 cm (a deck of cards) or bigger.

Annex G Interim Risk Assessment Template (informative)

This template provides examples of interim assessment elements. Additional examples with graphical presentation are provided in the *FSC-PRO-60-002a FSC National Risk Assessment Framework*.

Controlled Wood Interim Risk Assessment

DEVELOPED BASED ON THE STANDARD FSC-STD-40-005 V 3-0

Date of preparation: Date of the last review:	DD-MM-YYYY
Organization Name: Responsible staff and email address:	
FSC Certification Body Name: Responsible staff and email address: Date of the last review:	
Areas under assessment:	

Interim risk assessment performed for sourcing area(s) and Controlled Wood indicator(s) not covered by an approved FSC risk assessment¹⁶

1. Interim risk assessment

Area under assessment¹⁷: (name of the country/region allowing for a quick identification, *e.g. Germany, North Rhine-Westphalia*)

NOTE: Separate description of areas under assessment shall be provided depends on applied scale of the assessment (consult Section 2.3. of the *FSC-PRO-60-002a*)

Country: (*e.g. Germany*)

Geographic area covered by the assessment: (e.g. states, counties, voivodeships, provinces, bio-regions, eco-regions, water catchments, watersheds etc.; *e.g. North Rhine-Westphalia*)

Are maps of the sourcing area provided¹⁸? ☐ Yes ☐ No

Specify directory to the maps: (*e.g. Annex X to the Interim Risk Assessment, online portals, directory to the files*)

¹⁶ This includes approved National Risk Assessment and Centralized National Risk Assessment.

¹⁷ Area under assessment shall not include 'low risk' areas determined and mapped by the FSC (consult Global Forest Registry for mapped 'low risk' areas assessed by the FSC).

¹⁸ Providing maps directly with the Interim Risk Assessment means Organization's agreement to reproduce them by the FSC in order to populate GFR (population of the maps will depend on their formats and quality).

Category 1: Illegally harvested wood

1. Identification of applicable legislation

☐ Applicable legislation identified based on data available on GFR

Describe how the list available on the GFR was reviewed to check it's up to date status:

☐ Applicable legislation identified using other sources

Direct to the list of applicable legislation developed based on the *FSC-PRO-60-002a* and structured according to Table 1 in the *FSC-PRO-60-002a*:

(e.g. See Annex X to the Interim Risk Assessment/directory to the file with the list)

Specify sources of information used for identification:

(e.g. FSC FM National Standard, expert evaluation, list provided by NGO and/or governmental institutions)

If the GFR database is not used, an explanation shall be provided, which gives the reason of using other sources:

NOTE: providing links to existing governmental databases is not sufficient for identification of applicable legislation.

2. Assessment of enforcement of the applicable legislation;

Assessment for the indicators in the same sub-category of law may be jointly presented.

Indicator (Applicable legality categories and sub-categories)	Sources of information ¹⁹	Risk determination and specification (if not low risk) Provide numbers of thresholds ²⁰ that are met. JUSTIFY THE OUTCOME (for each threshold).	Functional scale ²¹	Control Measures
(1)	(2)	(3)	(4)	(5)
Example 1				
Legal rights to harvest				
1.1 Land tenure and management rights.	World Bank Worldwide Governance Indicators: info.worldbank.org/governance/wgi/sc_country.asp ; NGO report on issuing and controlling of licencing and planning (available at: ...) Transparency International http://www.transparency.org/policy_research/surveys_indices/cpi for Transparency International indices; Government report on land management and rights (NGO, available at....)	Low (1): Land and management rights are clearly defined in legislation. Sources confirm enforcement of these laws (general assessment of law enforcement based on international indicators and lack of evidence of violation of these laws).	-	-
1.2 Concession licenses.		Specified (2) NGO report provides information that although there is no violation of regulations about planning and management required concession licenses are often issued with a delay and outdated. This problem however exists in a great majority for private forest.	Ownership: 'Specified risk' – private forest; 'Low risk' – other forests.	Where concession is required, sourcing from forest areas with valid concession license.
1.3 Management and harvesting planning.		Low (1): Sources confirm enforcement of these laws (general assessment of law enforcement based on international indicators and lack of evidence of violation of these laws).	-	-
1.4 Harvesting permits.		Low (1): Sources confirm enforcement of these laws (general assessment of law enforcement based on international indicators and lack of evidence of	-	-

¹⁹ Provide justification why only these sources were used in the assessment.

²⁰ See threshold number as provided in the NRAF.

²¹ Spatial units based on non-geographical characteristics, e.g. type of forested area tenure/ownership, scope of management, SIR.

		violation of these laws).		
Example 2				
1.14 FPIC	Royal Institute of International Affairs: www.illegal-logging.org (provide directory to relevant report!); Expert overview on laws regulating traditional rights (report: ...).	Specified (2) Expert overview shows that Indigenous Peoples' rights are inconsistently described in existing legislation. Reports of RIIA indicate that traditional laws are violated in terms of access to the forest.	IP presence: 'Low risk' for area not occupied by IP; 'Specified risk' for area occupied by IP (keep consistency with cat. 2 assessment)	Documentation confirms FPIC implementation in sourcing area. (keep consistency with cat. 2 assessment)
1.15 Indigenous Peoples' rights				

Category 2: Wood harvested in violation of traditional and human rights

1	2	3	4	5
Example 1				
2.3. The rights of Indigenous and Traditional Peoples are upheld.	Legality assessment (see Category 1);	Specified (22): See risk specification for indicators 1.14 and 1.15.	IP presence: 'Low risk' for area not occupied by IP; 'Specified risk' for area occupied by IP	Documentation confirms FPIC implementation in sourcing area.
Example 2				
2.3. The rights of Indigenous and Traditional Peoples are upheld.	Applicable legislation (see Category 1); NGO report about nomads entering region covered by the area under assessment. ILO database (...)	Specified (24): NGO reports confirm seasonal presence of Indigenous Peoples in the northern part of the area. There are no laws nor regulations, as well as other practices ensuring respect to traditional laws and NGO report provides evidence of these laws violation. Sources challenging NGO findings do not provide sufficient contra-arguments for report contents.	IP presence: 'Low risk' for area not occupied by IP; 'Specified risk' for area occupied by IP	Documentation confirms FPIC implementation in sourcing area.

Category 3: Wood from forests in which high conservation values are threatened by management activities

HCV category	Data ²² used for HCV identification	Identified threats (provide sources ²³)	3	4	5
Example 1					
HCV 1	Known and available inventory data relevant for HCVs. Threatened species recovery plans / implementation reports. (...)	Habitat removal (Act of forest; Code of practice of Public State Forest XX)	Specified (8): Management regulations do not require protection of birth sites of HCV. As within the area species XX require seasonal protection, habitats of these species are being removed. Country is signatory to CBD but reports show little progress in achieving CBD targets. The problem does not occur within the areas of nature protection (particularly: national parks and reserves) and in the forest areas managed by public state forest due to internal regulation	'Low risk': Public state forest (identified risk is mitigated by internal code of practice and existing evidence confirms that code is respected). 'Specified risk': rest of the area.	Sourcing from areas where seasonal birth sites are not logged during breeding season; Ex. Of verifiers: agreements with forest managers that confirm CM implementation.

²² Provide justification why only these sources were used in the assessment.

²³ Provide justification why only these sources were used in the assessment.

Where an HCV assessment framework developed by the National Office that meets Controlled Wood requirements for HCV presence and threat assessment as provided in *FSC-PRO-60-002a* it shall be applied in Interim Risk Assessment for CW Category 3.

Category 4: Wood from forests being converted to plantations or non-forest use

1	2	3	4	5
<i>Example 1</i>				
4.1 (...)	Legality assessment (see Category 1);	Low (2): Legislation only allows for removal of forest ecosystems (including conversion to plantation) for the purpose of investments of public priority (high speed road development, establishing of water bodies serving as means for fire-protection and water supply etc.). Clear cuts are allowed in the legislation but regeneration of felled areas is required in time short enough to protect ecosystem values from degradation. Category 1 assessment confirms law enforcement.	-	-
<i>Example 2</i>				
4.1 (...)	Spatial database of sourcing forest area. Land cover reports.	Low (1): Spatial data available on the database confirm that spatial threshold in the indicator is met. Additionally, governmental reports (past 5 years) dealing with land cover changes confirms that conversion does not exceed the threshold.	-	-

Category 5: Wood from forests in which genetically modified trees are planted

1	2	3	4	5
<i>Example 1</i>				
5.1 There is no use of genetically modified trees.	Legality assessment (see Category 1);	Low (1) Introduction of GM trees to forest areas is forbidden according to the law. Category 1 assessment confirms law enforcement.	-	-

2. List of experts involved in the risk assessment and their contact details

Category 1

1. (Provide the name and contact details)

Areas under assessment: (Include areas under assessment where expert was involved²⁴)

Category 2

1. (Provide the name and contact details)

(etc.)

²⁴ Applies when Interim Risk Assessment covers more than one area under assessment.